

MEETING MINUTES

Monday, December 21, 2015

1:00 p.m.

Clallam Transit System

830 West Lauridsen Boulevard

Port Angeles, Washington 98363

Board Members Present

Chairman Bryon Monohon, City of Forks
Brad Collins, City of Port Angeles
Jim McEntire, Clallam County
Dennis Smith, City of Sequim
Bill Peach, Clallam County
Ed Stanard, ATU, Local 587, Representative
Genaveve Starr, City of Sequim
Juanita Weissenfels, City of Forks
Patrick Downie, City of Port Angeles

Staff Present

Wendy Clark-Getzin, PE, General Manager
Kevin Gallacci, Maintenance Manager
Clint Wetzel, Operations Manager
Melinda Smithson, Finance Manager
Craig L. Miller, Attorney to the Board
Mary Bower, CMC, Clerk to the Board
Samantha Benedict, Administrative Services
Assistant, Deputy Clerk to the Board

I. Call to Order

Chairman Bryon Monohon called the regular meeting to order at 1:01 p.m. So ordered.

II. Introduction of Guests and/or Additional Items for the Agenda

Brad Collins moved and Bill Peach seconded to accept the agenda as presented. Motion carried unanimously. So ordered.

III. Public Comment- None.

IV. Presentations

A. Recognition of Outgoing Clallam County Commissioner Jim McEntire for His Service as a Board Member: Wendy Clark-Getzin presented Jim McEntire with a certificate for his services on the Board. She said that Jim had always been supportive of transit. Wendy recognized his esteem and concern for transit and his words of wisdom. The Board thanked Jim for his service. Bryon commented on behalf of the board. He mentioned that it's been a pleasure to work with Jim and to have him as a part of the Board. Jim made comments about retirement.

B. Recognition of Outgoing City of Forks Councilman Mike Breidenbach for His Service as a Board Member: Bryon commented that Mike Breidenbach has been an alternate for many years and that he's appreciated him. Mike was not in attendance. Bryon also added that Board members are essential and key to transit, along with the hard work that is provided by them.

V. Public Hearing: Draft 2016 Budget

The Chairman opened the public hearing at 1:06 p.m. to receive public input on the draft 2016 budget. So ordered. There were no comments from the public. **Public hearing**

was closed at 1:07 p.m. Bryon mentioned that action was anticipated later in the meeting in this regard.

VI. Correspondence

The Chairman briefly reviewed each item. Juanita Weissenfels asked for clarification on the Tammy Dziadek letter. Bryon commended staff for taking a situation and making it a positive one.

VII. Monthly Financial Statements Review

Melinda Smithson reviewed the Budget Variance Report and the Sales Tax Distribution Chart. She pointed out that sales tax revenue for November was the highest since February 2008. (Craig Miller arrived at this time- 1:10 p.m.) Melinda commented on the trend of passenger fare revenues and that it had stabilized over the last five months. She pointed out that the Washington state grant revenue coming in is shown in the budget at \$22,580. CTS has accrued 1/8th of the total federal grant revenue in the amount of \$176,250, which was planned. CTS will be under budget for the federal operating grant due to the timing of receiving it. Total revenues year to date are above budget by \$201,000. Melinda mentioned that this number has been maintaining mostly due to sales tax. Expenses continue to be under budget with the salaries and wages. Supplies are also under budget, mostly because of fuel costs staying low. CTS was under budget in November by \$57,000 and for the year \$532,691. The November margin gain was \$371,949. Bill Peach asked about the budget for net income and Melinda commented that it's actually over budget, which Bryon mentioned is a good spot to be in. Melinda reviewed the Treasurer's Report. A certificate of deposit (CD) matured in November. The amount was reinvested at the beginning of December with the idea of laddering investments and the 36 month CD interest rate at 1.2 percent. During this process she learned that the bank has the ability to adjust posted interest rates for public entities, increasing the amount of interest earned on public funds. This is at the discretion of the bank and their management team and policies, but could work in CTS's favor in the future. Patrick Downie asked about the recent change at the federal level for the rates. Melinda said that federal rates directly affect the rates seen, but CTS isn't likely to see a big gain. Brad Collins asked if CTS reinvested in Sound Community Bank and Melinda said yes. Bill asked about the cost if it was decided to cash in one of the CD's ahead of the maturity date. Some discussion occurred. This varies from bank to bank. Melinda then went over the operating reserve. She had looked at the prior year and calculated reserves divided by the average month's expense. Melinda changed it to a rolling 12 months so that it's more accurate and more current. This affected the number of months in operating reserve slightly from 3.6 months to 3.67 months because of expenses being lower.

VIII. Consent Agenda

The Chairman read the consent agenda items by title: VII.A Approval of the Minutes of the November 16, 2015 Board Meeting; VII.B Approval of the Minutes of the November 5, 2015 Special Board Meeting; VII.C Acceptance of the Payment Listing for Board approval for November 2015 in the amount of \$569,067.13; VII.D Resolution No. 49:2015 to Recognize outgoing Clallam County Commissioner Jim McEntire for his service as a Board Member; and VII.E Resolution No. 50:2015 to recognize outgoing City of Forks Councilman Mike Breidenbach for his service as a Board member.

Brad questioned whether he should vote since he did not attend the last Board meeting. Brad, Jim, and Bryon abstained due to their absences. **Patrick moved and Genaveve**

seconded to approve the Consent Agenda as presented. Motion carried unanimously. So ordered.

Bryon commented that he was thankful to Patrick for running the last Board meeting.

IX. For Board Action

A. Approval of 2016 Budget – Resolution

Wendy Clark-Getzin, PE, referred to CTS memo L-26. Melinda reviewed the bulleted items. Wendy mentioned that there was a comment period provided to the public. One comment was received. Genaveve had a question regarding paratransit service numbers. Melinda mentioned that in the past if there was internal work from maintenance or mechanics expenses were displayed differently. Staff has moved the wages to the department in which the work is being done which affects numbers a little bit differently. There was additional questioning and clarification regarding the paratransit budget. Administration's miscellaneous expenses increased \$7,000. Discussion followed regarding the administration expenses because technically the department was not fully staffed for a portion of the year due to a temporary employee. Wendy commented that she appreciated the way that Melinda has presented the capital budget by separating local and federal funds. Patrick commented that it's been a delight to work with Melinda and that the budget process has been a breath of fresh air due to Melinda's ability to respond accurately and sincerely. He commented that it's nice to be a part of an agency that doesn't struggle over the budget. **Patrick moved and Bill seconded to approve Resolution No 51:2015 for the purpose of adopting an operating and capital budget for the year 2016. Motion carried unanimously. So ordered.**

Bryon commented that he appreciated the hard work that has gone into this budget.

B. Adoption of Updated Mission and Vision Statements and 2016-2018 Values and Goals

Wendy referred to CTS memo L-23. She said it was important that the CTS mission and vision statements reflected where CTS sees itself in the future. Value statements were discussed and made clear that without customers CTS wouldn't exist and without employees CTS wouldn't have customers. The goal was to reflect the qualities of what makes Clallam Transit what it is. Goals and objectives have not changed, but have been examined by the managerial staff to make sure that the items are capable of being goals for the employees and the riders. Genaveve mentioned that maybe if Board members would be willing to present this information to the hospital, schools, and the cities to attempt to promote ridership by wrapping it into the global issues. Wendy also mentioned that staff will present new objectives each time a new budget is presented. **Juanita moved and Geneaveve seconded to adopt the updated mission, vision and values statements and goals and objectives as presented. Motion carried unanimously. So ordered.**

C. Approval of Amendment to the 2014-2020 Transit Development Plan (TDP) – Resolution

Wendy reviewed CTS memo L-27. With the approval of the 2016 the budget, Section 8 and Section 10 need to be resubmitted to the state. Juanita asked how many paratransit vehicles CTS has. It was noted that there are 20 vehicles. Nine

paratransit vehicles are being replaced in the upcoming year. The budget shows the progressive need to replace buses. The consolidated grant program in 2017 will help with this. Patrick mentioned that he feels CTS got their money's worth for the buses based off of the timeframe that they have been in service and the miles they have driven. Patrick commended Kevin Gallacci for his attention to the vehicles and his wise and responsible use of the assets. Wendy agreed and mentioned that Kevin is on the Washington State Transit Association's Maintenance Committee and his position has helped relay information to and from the right people. Other transits can rely on the money coming all the time but CTS can't. **Brad moved and Patrick seconded to approve the Resolution No. 52:2015 for the purpose of approving an amendment to the 2015-2020 Transit Development Plan to reflect revisions made to ensure consistency in the document after the public comment/hearing period and revising CTS Resolution No. 36:2015 as presented. Motion carried unanimously. So ordered.**

D. Approval of Authorizations for Request for Proposals and Contract Award for Transit Advertising Services -- Resolution

Melinda reviewed CTS memo L-25. CTS currently advertises with On The Move Media (OTMM) and she feels that it is a good relationship. The contract with them expires at the end of December. A request for proposal (RFP) is needed so that CTS can receive bids from other entities. OTMM has agreed to go month to month until a vendor is selected. Because of the lack of options on the Peninsula, Melinda suspects that there may be an issue receiving bids and anticipates that competitive bids will not be received. She hopes to continue with OTMM if that's the case. A sample of the contract was included for the Board to review. The only change from the original contract is in the section on advertising restrictions due to legal suits that have happened in the past. Otherwise the contract is similar.

Craig Miller commented that King County Metro had an issue with their policy that was held up by judges. Because of the complaints received they said that King County made the correct decision. CTS's current contract complies with what is trending in the law. Brad mentioned that he appreciates having a policy that is in place for general items and not for specifics in society. King County first accepted an ad and then as the media responded they declined it, which is what caused the issue for them. The rules need to be administered carefully before the ads are accepted and not as an afterthought. Wendy mentioned that the vendor has dealt with these items directly and has not directed them back to Clallam Transit. The vendor knows how to deal with non profit groups trying to get their word out. Through discussion with Craig, it was felt that trying to get section 6 of the contract more definitive gives more support for the vendor to make decisions. This would be a five year contract which will produce \$16,000 to \$20,000 of advertising revenue per year. There was some discussion about what would happen if the vendor made the wrong choice. Wendy mentioned that anything of question has always been put by her first and then she has filtered it through the lawyer. Craig wanted to additionally comment that limiting public forums has to be controlled in a way that complies with the first amendment of the constitution. He also commented that the termination clause allows CTS to terminate with 30 days notice if something were to not go the way CTS wanted. Melinda clarified what the Board is being asked to do.

Bill asked where the liability lies if something is presented that CTS agrees is not appropriate after the fact. Craig mentioned the termination clause again and said that's the protection. It can only be deemed inappropriate if there was potential for disruption to the transit system. Staff could review what the vendor is actually doing to filter prohibitive items. Jim mentioned that it is not someone's right to advertise on the side of a bus and if CTS decided to not allow certain advertising anymore, it would be within its rights. Craig agreed, but mentioned that once it's allowed, CTS has to be "viewpoint neutral". Patrick recommended that transit add a clause to proof all items. Wendy mentioned that staff has not interjected into Matt Bailey's process. Craig clarified the type of ads that have been disputed or caused the issues. Brad commented that he feels the language that exists seems to be enough. As long as advertising doesn't disrupt the bus service, it should be fine. Wendy recalled another transit agency just revisited their transit advertising and took out the inability to post alcohol or smoking products. CTS staff did not feel that it was necessary. She said for the best interest in minors they felt it was necessary to keep the policy the way it is. Patrick continued to make comments regarding CTS's conservative nature of who CTS is and who they serve. Brad was concerned about micromanaging each individual advertisement. Craig offered that a clause be added clarifying that CTS reserves the right to refuse any proposed advertising. Brad clarified that the contractor needs to be aware that if staff disapproves many items it may be an issue and reminded members that it is Clallam Transit's discretion to provide the advertising. Ed asked if the buses are running around with no advertising, would CTS be able to provide its own advertising. Wendy said yes. **Jim motioned and Bill seconded to approve Resolution No. 53:2015 for the purpose of authorizing publication of a request for proposals for transit advertising services, directing the General Manager to negotiate and execute a contract for the services with the successful proposer, or proceeding with a noncompetitive negotiated procurement, if necessary as presented. Motion carried unanimously. So ordered.**

- E. Approval of 2016 Nonrepresented Personnel Salary/Wages Schedule – Resolution
Wendy reviewed CTS memo L-22 which recommends the same level of increase for nonrepresented personnel that represented staff received by contract. The organizational chart and salary schedule was also included for comparison. **Jim motioned and Patrick seconded to approve Resolution No. 54:2015 for the purpose of establishing and setting salaries and wages for nonrepresented personnel employed by the Clallam Transit System and rescinding CTS resolution No. 6:2015, as amended, as presented. Motion carried unanimously. So ordered.**

- F. Travel Authorization: 2016 Washington State Transit Association (WSTA) Legislative Conference
Wendy reviewed CTS memo L-24. She discussed the conference and the importance of it. Several legislative offices are included in this conference which allows members to line up appointments to meet with constituents. Funds have been budgeted for this travel in 2016. It occurs in January 2016. The exact days are not yet known. Jim mentioned that he had attended in the past and felt that this is important for a Board member to attend. Patrick echoed that he had attended in the past as well. Wendy also mentioned that because it's a supplemental budget year this would be an ideal year for someone to attend to educate legislatives on

meaningful transit issues. She continued to explain the dialog that occurs and the importance. **Genaveve moved and Bill seconded to approve the travel expenses for a member of the Board to attend the 2016 Washington State Transit Association legislative conference. Motion carried unanimously. So ordered.**

X. For Board Discussion and/or Information

A. Items of Interest

1. Election of Officers for 2016
Wendy reviewed CTS memo L-18. This will occur at the next Board meeting. Port Angeles should have the Chair seat and Sequim should have the Vice Chair position.
2. American Public Transportation Association (APTA) Legislative Alert
Wendy referred to this legislative alert dated December 2, 2015, and highlighted this item in regards to the FAST bill. She explained particular pieces of the bill that effect grant sources for funding buses. This was a successful lobbying event which allowed the transits to step forward to lobby. There was a 10.78 percent increase in the state funds, which go into the consolidated grant program. This is a five year grant program, which allows for stability. Bryon asked if CTS would reinstate its APTA sponsorship or membership. Wendy feels that there isn't a need to have a separate membership because WSTA has an APTA membership. Also, being an active member of WSTA there really isn't a need for a secondary source of information. She found that the increase cost to attend APTA conferences as a non-member was minimal. Jim made a comment about Sound Transit's new Director/CEO Pete Rogaff and his history through FTA. Jim said he knows that he will be a great use of knowledge and he is a great advocate for transit.
3. Status Update: Peninsula Regional Transportation Planning Organization (RTPO) Executive Board Meeting
CTS memo L-19 was provided for review. Genaveve said that the bylaws were revised and the regional priorities statement was updated. WSDOT would like members to look at their 20 year transportation plan which is located at WAttransplan.com. They are hoping to receive comments by January 8, 2016. She mentioned that she is impressed with their plan to look at alternative transportation plans, especially those that are single driver focussed. Bicycle and transit are part of that plan. She feels it's important to understand what they are doing.
4. Status Update: First Aid/CPR Training for Staff
CTS memo L-5 was provided to review. Clint Wetzel gave an overview of who went to the training and the need for that. This allowed everyone in the agency to attend. Brad asked specifically about what the training goes over. Wendy clarified that there is a Good Samaritan law that allows for employees to step in and help without liability, but CTS is going above and beyond to provide training.

5. Status Update: Approved Minor Service Change- No discussion.
6. Status Update: New CTS Website
Wendy referred to CTS memo L-14 and commented that the website was put together by Samantha Benedict. She commented on the National RTAP that the site is provided through and that it allows for more interesting items and depth. The new website has potential for growth and items that CTS wasn't able to have before.
7. Status Update: Washington State Transit Insurance Pool (WSTIP) Guest Rider Program
Clint mentioned that CTS has been part of this program since 2006. There is a twice a year "secret shopper" who rides CTS service. Every time responses have been favorable. Supervisor Scott Gossard and Operator Jack Meyer went to Grant Transit in Moses Lake to ride their services. Operations management typically selects members of the Safety Committee and/or a supervisor to participate. It's a great learning experience for everyone involved.

B. Staff Reports

1. Operations Department Report
Clint reviewed CTS memo L-11. He said that CTS is positive in regard to ridership for the first time this year in fixed route. He felt the restoration of Veterans Day and the Day After Thanksgiving went very well especially for paratransit services, showing increased ridership in both fixed route and paratransit. He expects next year that there will be continued growth on those days.
2. News Releases- No discussion.
3. Other Reports- No discussion.

B. Board Open Discussion

Kevin mentioned that on January 4 an all-electric bus will be at the CTS Administration building brought from Green Power as a demonstration. He said whether or not CTS wants to purchase an electric bus in the future, this is a great opportunity to see what they will look like and if the board is ready for new technology. It is a 40' bus costing approximately \$800,000 apiece. It has a four hour charge with an average 130 mile range. The battery weight has been lowered and technology has advanced. Patrick asked if there was any subsidization for the purchase of the buses. Conversation followed regarding alternative fuels.

Patrick mentioned that the Cascade Bike Club and Washington Bikes are merging. This will allow for a stronger advocacy to the bike cause. Brad noted that the new CTS vision statement mentioned motorized transport, which works well with supporting alternative modes like walking and biking. Patrick continued that electric bikes are becoming quite popular.

XI. Executive Session- None.

XII. Adjourn

There being no further business to discuss, the Chairman called the meeting adjourned at 2:50 p.m. So ordered.

Next meeting: Monday, January 25, 2016, at 1:00 p.m. at the Clallam Transit System, 830 West Lauridsen Boulevard, Port Angeles, Washington 98363.

Respectfully submitted,

Samantha Benedict
Administrative Services Assistant/Deputy Clerk to the Board

Enclosure: Appendix A